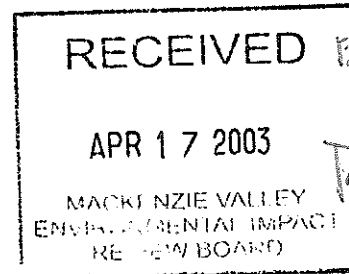

Mackenzie Valley Land and Water Board

7th Floor - 4910 50th Avenue • P.O. Box 2130
 YELLOWKNIFE, NT X1A 2P6
 Phone (867) 669-0506 • FAX (867) 873-6610

April 11, 2003

File: MV2003C0003



Mr. Vern Christensen, Executive Director
 Mackenzie Valley Environmental Impact Review Board
 Box 938
 200 Scotia Center
 YELLOWKNIFE NT X1A 2N7

Fax: (867) 766-7074

Dear Mr. Christensen:

Consolidated Goldwin Ventures Inc.
Mining Exploration, Drybones Bay NT

FAXED
April 16/03

This Mackenzie Valley Land and Water Board (MVLWB) met on April 10, 2003 to deal with the aforementioned Land Use Permit application. The decision was made to refer the application to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) for an environmental assessment pursuant to Subsection 125 (1) of the *Mackenzie Valley Resource Management Act*. The reasons for decision and the preliminary screening report are attached for your information.

If you have any questions, contact Peter Lennie-Misgeld, Regulatory Officer at (867) 669-0506 or email mvlwbpermit@mvlwb.com.

Yours sincerely,

A handwritten signature in black ink, appearing to read "McLeod".

Melody J. McLeod
 Chair

Copy to: Vern Christensen, Mackenzie Valley Environmental Impact Review Board
 Laurie Cordell, MVLWB

Attachments

REASONS FOR DECISION

MACKENZIE VALLEY LAND AND WATER BOARD (MVLWB or the Board)

IN THE MATTER OF:

An Application by Consolidated Goldwin Ventures Inc. for a Type 'A' Land Use Permit for Mineral Exploration in the Drybones Bay Area;

and

A Preliminary Screening of the Consolidated Goldwin Ventures Inc. application for a Type 'A' Land Use Permit for Mineral Exploration in the Drybones Bay Area. *

Background:

Consolidated Goldwin Ventures Inc. (the Applicant) applied to the Mackenzie Valley Land and Water Board (the MVLWB or the Board) on January 23, 2003 for Type 'A' Land Use Permit MV2003C0003 to conduct Mineral Exploration in the Drybones Bay Area. The proposed operation as applied for included drilling holes in three Areas, two located in Great Slave Lake west of Drybones Bay and the third just north of Hearne Strait. Other activities associated with this operation consisted of establishing a mobile camp, if required, and conducting additional geophysical surveys.

The MVLWB conducted a preliminary screening of the applications and received comments from government agencies, communities, and First Nations. Several First Nations organizations expressed concern over potential impacts from mineral exploration in the Drybones Bay Area. These concerns related to impacts from mineral exploration to the cultural, social and traditional land use importance that the Drybones Bay Area signifies to First Nations.

The Issue:

The MVLWB is aware and concerned that the Drybones Bay Area will experience steady increases in mineral exploration in the near future. The MVLWB decided that this increased mineral exploration constitutes a concern of cumulative negative environmental effects for the Drybones Bay Area.

Evidence of Public Concern

On April 2, 2003, the MVLWB received a copy of a letter from NWT Treaty 8 Tribal Corporation to Minister Robert Nault. While this letter focused primarily on treaty rights, it also emphasized the cultural, social and traditional land use importance of the Drybones Bay Area and encouraged the MVLWB not to issue any more Land Use Permits until these issues have been addressed.

On April 8, 2003, The MVLWB received a copy of a letter from Deninu Kue First Nation. This letter stressed that the Drybones Bay Area has been used for generations for hunting, fishing and trapping and that inadequate consultation has taken place to address environmental and treaty rights issues. The Deninu Kue First Nation also requested that the MVLWB not issue any more Land Use Permits until these issues have been addressed.

The letters mentioned above supplement concerns expressed by the Yellowknives Dene First Nation (YKDFN) regarding impacts to the wildlife, historical and sacred sites, and traditional land use sites. The YKDFN also requested that no Land Use Permits be issued in the Drybones Bay Area.

Reasons

The text outlined in Subsection 125 (1) required that the MVLWB determine whether the development might in its opinion:

- a) have a significant adverse impact on the environment or be a cause for public concern.

The responses provided to the Land and Water Board by the NWT Treaty 8 Tribal Corporation, Deninu Kue First Nation, and the YKDFN are a clear indication of public concern with development in the Drybones Bay Area.

Given the evidence of the cultural, spiritual and environmental importance of the Drybones Bay Area, the Board decided that the test in Section 125 (1) had not been met with regard to public concern.

Decision:

On April 10, 2003 the MVLWB held a meeting to consider the above noted application. During this meeting the Board determined that the proposed operation might be a cause for public concern. Therefore, pursuant to Section 125 (1) (b) of the *Mackenzie Valley Resource Management Act* the application was referred to the Mackenzie Valley Environmental Impact Review Board (MVEIRB) for an Environmental Assessment.

Signed on behalf of the Mackenzie Valley Land and Water Board:

A handwritten signature in black ink, appearing to read 'Melody J. McLeod', written over a horizontal line.

Melody J. McLeod, Chair
April 14, 2003